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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re patent application of  
Baseman et al.

Serial No. 09/731,772

Examiner O'Connor, Gerald J.

Filed December 8, 2000

Art Unit 3627

For VALUE-BASED FRAMEWORK FOR INVENTORY MANAGEMENT

Assistant Commissioner of Patents  
Washington, D.C. 20231

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JAN 09 2003

AMENDMENT UNDER 37 C.F.R. 1.111

GROUP 3000

Dear Sir:

In response to the office action mailed October 8, 2002, please amend the application as follows.

In the Specification:

Please amend the specification as set forth below (a clean copy of the revisions is attached hereto as Appendix 1).

On page 3, beginning at line 16, and ending on page 4, at line 1, please amend the paragraph as follows:

*Markup*

According to the invention, firms can set risk and return targets for inventory related capital investments and for operational management of their inventories. This allows a firm to put its inventory management within the framework of its quarterly, annual or long term financial objectives. As a result of this methodology, firms can position themselves more accurately [*vis-a-vie*] vis-a-vis their financial goals. Because this will reduce uncertainty of achieving financial goals, it will positively impact the market value of a firm. This invention enables firms to use well established portfolio